

# SENATE BILL 393

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2lr1668

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By: **Senator Middleton**

Introduced and read first time: February 1, 2012

Assigned to: Finance

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Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 17, 2012

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## CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Maryland Medical Assistance Program – Managed Care Organizations –**  
3 **Recipient Participation**

4 FOR the purpose of requiring that certain recipients of benefits under the Maryland  
5 Medical Assistance Program be afforded the option of remaining ~~or enrolling~~ in  
6 certain managed care organizations or receiving benefits under the Program for  
7 which payments are made on a fee-for-service basis; providing for a delayed  
8 effective date; and generally relating to the Maryland Medical Assistance  
9 Program and options for recipients of benefits under the Program.

10 BY repealing and reenacting, without amendments,  
11 Article – Health – General  
12 Section 15–101(a), (e), (h), and (i)  
13 Annotated Code of Maryland  
14 (2009 Replacement Volume and 2011 Supplement)

15 BY repealing and reenacting, with amendments,  
16 Article – Health – General  
17 Section 15–103(b)(1)  
18 Annotated Code of Maryland  
19 (2009 Replacement Volume and 2011 Supplement)

20 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
21 MARYLAND, That the Laws of Maryland read as follows:

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 **Article – Health – General**

2 15–101.

3 (a) In this title the following words have the meanings indicated.

4 (e) “Managed care organization” means:

5 (1) A certified health maintenance organization that is authorized to  
6 receive medical assistance prepaid capitation payments; or

7 (2) A corporation that:

8 (i) Is a managed care system that is authorized to receive  
9 medical assistance prepaid capitation payments;10 (ii) Enrolls only program recipients or individuals or families  
11 served under the Maryland Children’s Health Program; and

12 (iii) Is subject to the requirements of § 15–102.4 of this subtitle.

13 (h) “Program” means the Maryland Medical Assistance Program.

14 (i) “Program recipient” means an individual who receives benefits under the  
15 Program.

16 15–103.

17 (b) (1) **(I)** As permitted by federal law or waiver **AND SUBJECT TO**  
18 **ITEM (II) OF THIS PARAGRAPH**, the Secretary may establish a program under which  
19 Program recipients are required to enroll in managed care organizations.20 **(II) PROGRAM RECIPIENTS WHO ARE ENROLLED IN A**  
21 **MANAGED CARE ORGANIZATION THAT PARTICIPATES IN A PROGRAM**  
22 **ESTABLISHED UNDER THIS PARAGRAPH AND ARE AT LEAST 65 YEARS OLD**  
23 **SHALL HAVE THE OPTION OF REMAINING ~~OR ENROLLING~~ IN A MANAGED CARE**  
24 **ORGANIZATION THAT PARTICIPATES IN A PROGRAM ESTABLISHED UNDER THIS**  
25 **PARAGRAPH OR ~~OF~~ RECEIVING BENEFITS UNDER THE PROGRAM FOR WHICH**  
26 **PAYMENT IS MADE ON A FEE-FOR-SERVICE BASIS.**27 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
28 October 1, ~~2012~~ 2013.